

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
LEE COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period  
July 1, 2009 Through June 30, 2010**



**CRIT LUALLEN  
AUDITOR OF PUBLIC ACCOUNTS  
[www.auditor.ky.gov](http://www.auditor.ky.gov)**

**209 ST. CLAIR STREET  
FRANKFORT, KY 40601-1817  
TELEPHONE 502.564.5841  
FACSIMILE 502.564.2912**





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**AUDITOR OF PUBLIC ACCOUNTS**

Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet  
The Honorable Elizabeth Roach  
Lee County Property Valuation Administrator  
Beattyville, Kentucky 41311

We have performed the procedures enumerated below, which were agreed to by the Lee County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2009 through June 30, 2010. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Lee County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2010), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA had receipt and disbursement ledgers and reconciled bank records to books each month.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

City payments were confirmed and agreed to PVA's records.



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Lee County Property Valuation Administrator  
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The PVA received the appropriate amount of payments from the fiscal court as calculated by the Department of Revenue.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Disbursements were selected and agreed to cancelled checks and paid invoices and were for official business. No credit cards were used to purchase expenditures.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Capital outlay disbursements compared favorably with cancelled checks and supporting documentation. Assets that were acquired were added to the capital asset inventory list and their location was verified by auditor.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA has not entered into any vehicle lease or service contracts.

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Lee County Property Valuation Administrator  
(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA spent in excess of her budget in account series 100 and 800 causing her total budget to be overspent by \$92. Budget amendments should have been prepared before spending in excess of the total budget.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

The PVA's bank deposit did not exceed FDIC coverage. No additional collateral was needed.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets were completed, maintained and approved to support hours worked.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

There is not a new PVA, no cash transfers were necessary.

11. Procedure -

For newly hired employees, during July 1, 2009 through June 30, 2010, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

No new employees were hired.

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Lee County Property Valuation Administrator  
(Continued)

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

PVA followed proper procedures when closing any day other than the state's approved holidays.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a stylized, flowing script.

Crit Luallen  
Auditor of Public Accounts

March 25, 2011